major producer of licit opiates. The U.S. President has certified India's full compliance with the requirements of the Act. However, Pakistan has been granted vital national interest certification.

Some suggestions have been made regarding better counter narcotic efforts by all countries, including India. Government is fully committed, in our national interest, to eradicate drug abuse and illicit trafficking and will continue to strive to make our counter narcotics strategy more effective.

Gold Consumption in India

2290. SHRI G.Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether the demand for gold in India rose dramatically by a quarter towards the end of 1994, according to the annual report of the World Gold Council (WGC);

(b) whether the gold demand kept Indians as the biggest buyers of gold in the world; and

(c) whether Governemnt have set up any mechanism to check the illgotten wealth being invested in gold; if so, the details and if not, what steps Government propose to take to control gold consuption in India which is the convenient modus operandi for concealing the blackmoney?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHR MURTHY): (a) World Gold Council has stated in its report published in Feb., 1995 an increase in demand of gold in India during last quarter of 1994. However, it is not possible to confirm the varacity of this statement.

(b) India is one of the major buyers of gold in International market.

(c) Enforcement agencies of the governemnt are vigilant to detect and deter illegal investments in gold. There is no proposal to impose curbs on consumption of gold.

External Commercial Borrowings

2291. SHRI G.Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether around 70 companies have queued up for External Commercial Borrowing (ECB) in non-power sector;

(b) if so, the particulars of these companies and the amount proposed to be raised by each one of them as ECB; and

(c) what is Government's reaction thereto, particularly in the context of his Ministry having tightened the External Commercial Borrowing (ECB) norms with a view to keep the level of new borrowing commitments within prudent limits of debt management?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) During the current financial year 1994-95 there has been a heavy demand for external commercial borrowing by Indian firms for financing expansion of existing capacity and for new investment far in excess of the internal ceiling on annual approvals for external commercial borrowings. In order to meet with such demand, the internal ceiling on approvals was reviewed in the context of the improved balance of payments scenario and it was decided to permit further approvals during the current year provided the pending proposals were in conformity with the existing gaidelines for external sector borrowings by Janauary 31, 1995. In order to keep the new borrowing commitments withing prudent limits of debt management for large value proposals involving external commercial borrowings of over USD 15 mio. equivalent the minimum average life of the loan was enhanced to at least 7 years. However, small and medium value proposals involving external commercial borrowings of upto an including USD 15 mio. equivalent would be eligible for clearance provided the average life of the loan was at least 3 years and other terms and conditions were within reasonable parameters. Applications that are not in conformity with these guidelines will be considered during 1995-96 once the proposal has been reformulated in the context of the revised guidelines for external commercial borrowings.